

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA



In Re:) Case No. 00-40169
) Chapter 7
Shelby Yarn Company)
)
Debtor.)
)
)
)
)

JUDGMENT ENTERED ON MAY 12 2003

AMENDED ORDER
APPOINTING SPECIAL COMMITTEE,
ALLOWING FILING OF GROUP PROOF OF CLAIM,
AND APPROVING RETENTION OF ATTORNEY BY COMMITTEE

This matter is before the court after reconsideration of its November 6, 2001, Order And Final Judgment on the "Motion To Appoint A Special Committee Of The Former Employees Of Shelby Yarn Company, To Allow The Committee To File An Aggregate Proof Of Claim For The Former Employees, And To Appoint O. Max Gardner III As Attorney For The Said Special Committee". Having reconsidered the motion, the court has concluded that the motion should be granted, but only to the extent of the relief requested in the motion. That relief has not been objected to by any party in interest, and is permitted by the Bankruptcy Code. Further, in order to avoid prejudice resulting from reliance on the court's prior order, it is necessary to "toll" the running of the time to file proofs of claim and any applicable statutes of limitations during the pendency of the prior order.

It is therefore ORDERED that:

1. The court hereby appoints a Committee in this Chapter 7 case to represent the interests of former employees of Shelby Yarn Company; the membership of said Committee is to consist of the petitioners and Directors of the Employee Assistance Funds enumerated in the motion to appoint a special committee; and the duties and rights of said Committee shall be governed by 11 U.S.C. § 705;

2. Said Committee shall have the right to file a Proof of Claim on behalf of the former employees of Shelby Yarn Company;

3. The court approves retention of O. Max Gardner III by said Committee as its attorney. The attorney for the Committee shall be compensated by the Committee, unless otherwise provided by applicable statute.

4. The running of all applicable statutes of limitations and of the time for filing proofs of claim shall be deemed tolled during the pendency of the prior order, from November 6, 2001, to the date of entry of this amended order.

5. The prior Order And Final Judgment is void *ab initio* and is hereby stricken. This Amended Order shall replace that order *nunc pro tunc*.


Dated as of date entered

Marvin R. Wooten
United States Bankruptcy Judge